

ASX CHESS Project

Technical Committee

6 May 2025



Acknowledging Country

ASX acknowledges the
Traditional Owners of Country
throughout Australia.
We pay our respects to Elders
past and present.

Artwork by Lee Ann Hall, *My country My People*

Housekeeping

Troubleshooting

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 - Phone Conference ID: 697 856 18#
- > Presentation materials were distributed before the meeting and will be published on the website.

Important Information

Competition Law Reminder

Committee members are reminded to have regard to their obligations under competition law. In particular, please note that the Competition and Consumer Act prohibits a corporation from engaging with one or more persons in a concerted practice that has the purpose, effect or likely effect of substantially lessening competition.

Agenda

01 Welcome, Open Actions & Feedback

02 Project Status

03 CHESS Release 1 Build & Test Update

04 Working Group Updates

05 Optional versus Mandatory Functionality

06 CHESS Release 2 Operating Rules

07 Change Control Management

08 Forward Engagement for 2025

01

Welcome, Open Actions & Feedback

01 – Open Actions

Open actions carried from the April Technical Committee meeting

#	Action	Raised	Update	Status
2025-04-01	ASX to consider how it could provide further transparency on changes to ISO design for Technical Committee members to track proposals in the ISO Working Group	TC April 2025	ASX is expected to provide further transparency on changes to ISO design as part of the technical documentation release for each Drop	Open
2025-03-01	ASX to add a pulse survey question on the operating model of the Technical Committee and its Working Groups	TC March 2025	ASX has included a pulse survey question on the governance and operating model between the Technical Committee and its Working Groups. The Pulse Survey will remain open until 16 May 2025	Propose to close

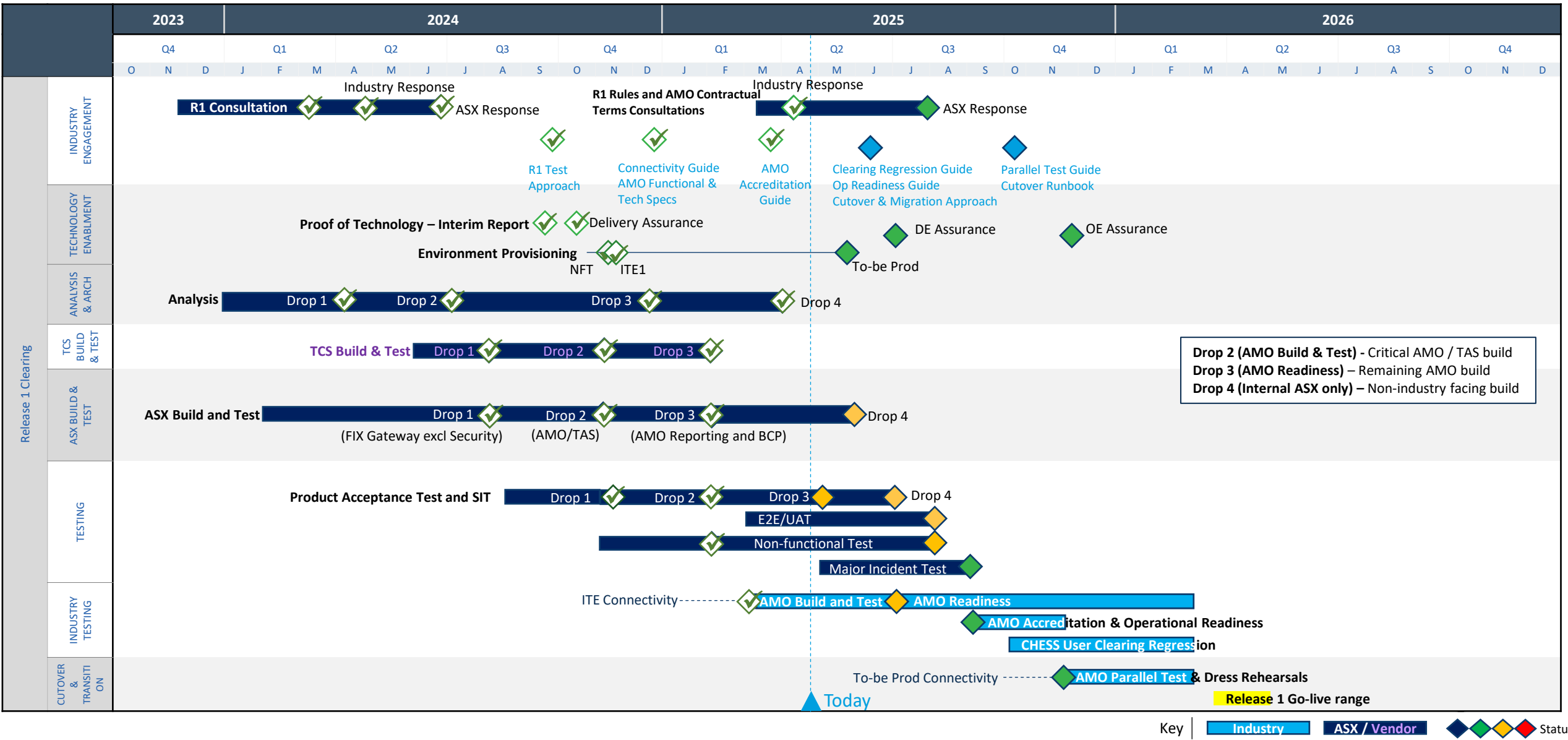
02

Project Status

02a

CHESS Release 1 Update

02a – CHESS Release 1 Indicative Project Timeline – May 2025



02a – CHES Release 1 Project Status

> AMO Readiness Preparation

- Testing has progressed and is expected to be completed by late-June 2025
 - AMO Security Details Report build has been completed and testing is targeted for completion by late-May 2025
 - Reference data testing is progressing in the end-to-end environment
 - Identity integration testing is progressing and targeted to be completed by mid-May 2025
- BaNCs performance testing on 20 million trade messages per day was completed in late-April 2025. This was the final scenario to complete performance testing for BaNCS led NFT
 - ASX performance testing in the NFT environment commenced late-April 2025.

> Clearing Regression Preparation

- Detailed planning for the clearing regression phase has completed to align on detailed requirements, data and environments
- Build commenced on clearing regression tool which will convert trades to FIX messages.

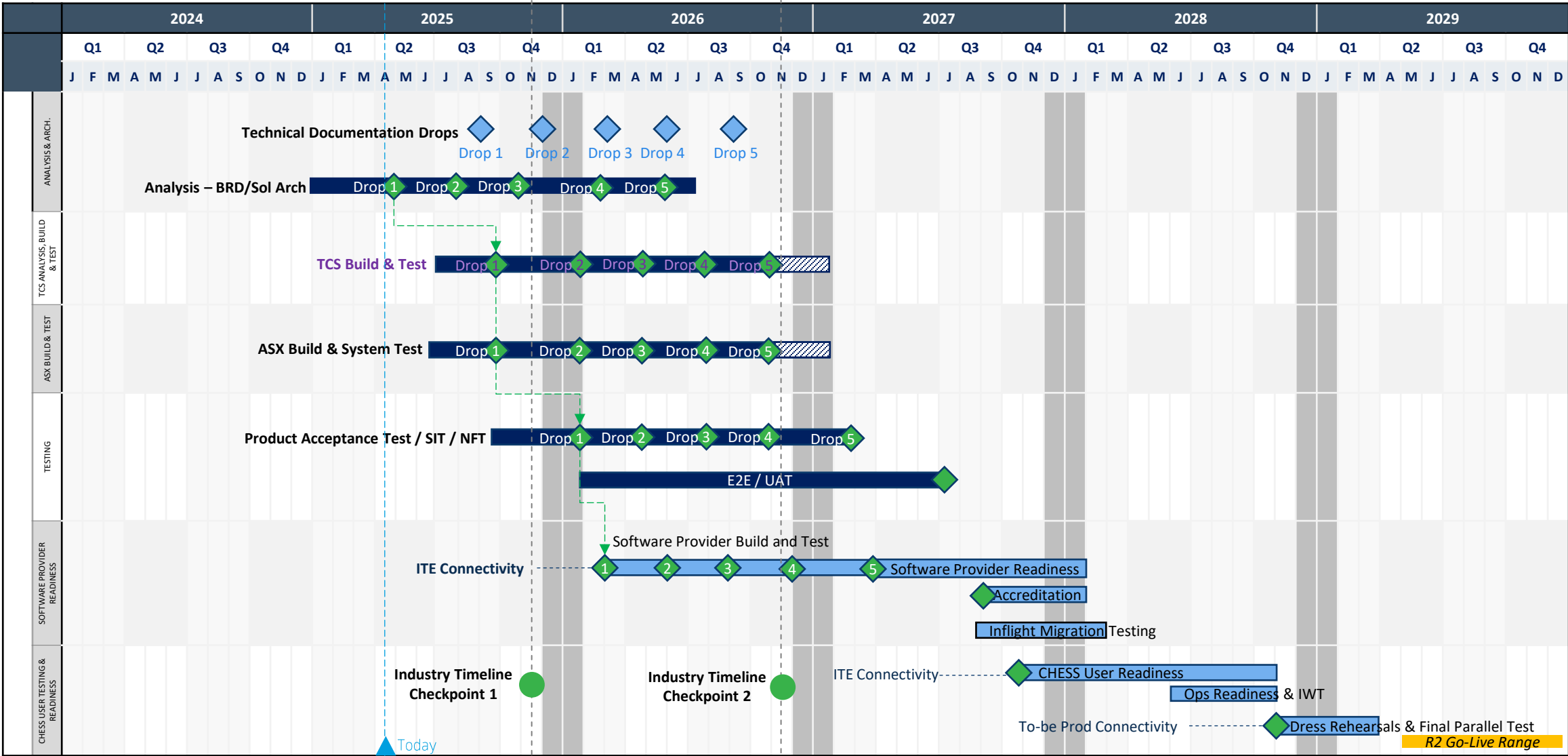
> Other Release 1 Updates

- Technical dress rehearsals (TDR) planning is in progress with the 1st internal TDR planned for July. Discussions underway with AMOs to understand their cutover plan
- Data and reporting – 3 of 4 open roles have been fulfilled and velocity in the stream has improved significantly.

02b

CHESS Release 2 Update

02b – CHESS Release 2 Indicative Project Timeline – May 2025



02b – CHESS Release 2 Project Status

> Drop 1

- Drop 1 business requirement documents have been drafted have been signed off on 30 April 2025. Specification documentation is in progress and BaNCS build is scheduled to commence in mid June
- Design of the external user interface has been completed and design of the new channel for ISO messaging is targeted to be complete mid-May 2025.

> Drop 2 and 3

- Initial design and discover work (pre-analysis) for Drop 2 is targeted for completion by 30 April 2025
- The drafting of Drop 2 business requirements and pre-analysis for Drop 3 will commence from early-May 2025 onwards.

> Release 2 Testing

- CHESS Release 2 Joint Test approach and test resource onboarding is in progress.

02b – CHESS Release 2 Project Roadmap

	Drop 1	Drop 2	Drop 3	Drop 4	Drop 5
Feature Scope	<ul style="list-style-type: none"> > Participant and registry/issuer Setup > Accounts and holdings > Unilateral non-batch instructions > Account and holding balance reporting 	<ul style="list-style-type: none"> > Trade registration & netting > Settlement instructions > Batch settlement (excluding payments) > → Pass-through investor data 	<ul style="list-style-type: none"> > Payments with limits > Issuer sponsored processes > Cum entitlement balance and holding movement reporting > Claims and adjustments > ♦ Corporate actions tranche A (cash) 	<ul style="list-style-type: none"> > Change of controlling participant & portfolio transfer > → Holding adjustments > Batch exceptions (including default management and backout) > RITS integration(s) > ♦ Corporate actions tranche B (securities) 	<ul style="list-style-type: none"> > ETO/CMM collateral > Daily margin advice > Offer administration facility > Corporate action elections without payment > Corporate action elections with payment > ♦ Corporate actions tranche C (remaining)
User Journeys	<ol style="list-style-type: none"> 1. Participants can test the full account lifecycle (create & update, lock and cancel) 2. Participants can perform simple transfers between accounts they administer 3. Registries and Participants can receive account and holding balance reports 	<ol style="list-style-type: none"> 1. Participants can receive market trades in ISO20022, novate, net and schedule for settlement 2. Participants can match and schedule settlement instructions 3. Participants can settle instructions in a daily batch (excluding payment provider and payment services flows), including unit failure 4. → Participants and Registries can test pass through investor data 	<ol style="list-style-type: none"> 1. Payment providers can manage payment facilities, authorise funds and utilise cash limit tracking 2. Participants and Registries can test issuer sponsored flows 3. Participants and Registries can receive corporate action and holding movement reporting 4. Participants obligations are adjusted to account for fails and adjustments 5. ♦ Participants can reserve balances and specify trust amounts 	<ol style="list-style-type: none"> 1. Participants can perform change of controlling participant and portfolio transfers 2. → Registries can process corporate actions including performing holding adjustments 3. Participants and ASX can test batch exception processes (such as default management, backout, extension and cancellation) 4. ASX and RBA can commence testing of RITS integration(s) 	<ol style="list-style-type: none"> 1. Participants can lodge non-cash collateral and ETO cover and adjust margin 2. Participants and Registries can test takeovers and buybacks 3. Participants and Registries can test option elections without payment (DRP/BSP) 4. Participants and Registries can test option elections with payment (Rights, SPPs)



Indicative Roadmap – Subject to Change

←/→ Movements between drops

♦ Scope clarifications

02c

Project Risks

02c – Project Risks

May 2025: Risks continue to track as planned and are being actively managed

Area	Description	Mitigation	Residual Exposure	Status
Schedule	Delays in finalising the CHES Project Data and Reporting Build	Onboard additional resources to reduce design and build timeline Data and Reporting team to work in collaboration with the Testing team to manage feature delivery to support required testing requirements	Medium	Open
Schedule	Delays to reference data integration testing may impact AMO Readiness	Look for opportunities to bring forward integration with CHES for earlier reference data comparison Experienced Test Manager travelling offshore over the Easter holiday period to ensure focus and progress on defect triage and test execution	Medium	Open
Schedule	Delays in BaNCS non-functional testing execution may impact AMO Readiness	Daily escalation and triage calls to ensure any delays are flagged and any issues escalated Identify opportunities to make up time and commence non-functional testing in parallel to PET testing	Medium	Open
Schedule	Release 2 timeline may be impacted due to Release 1 delivery priority	Continue to monitor shared resource constraints and call out resourcing gaps as needed	Medium	Open
Schedule	Delivery of the AMQP channel may not meet the Release 2 Drop 1 ITE open date	Finalise the business requirements for participant set up Finalise the security assessment and review the build estimate Work with AWS team to bring forward the build dates	Medium	Open

03

CHESS Release 1 Build & Test Update

03 – ITE Activity in April

AMOs and AMO Software Providers ITE activity continues to increase as progress is made with log in and business message testing.

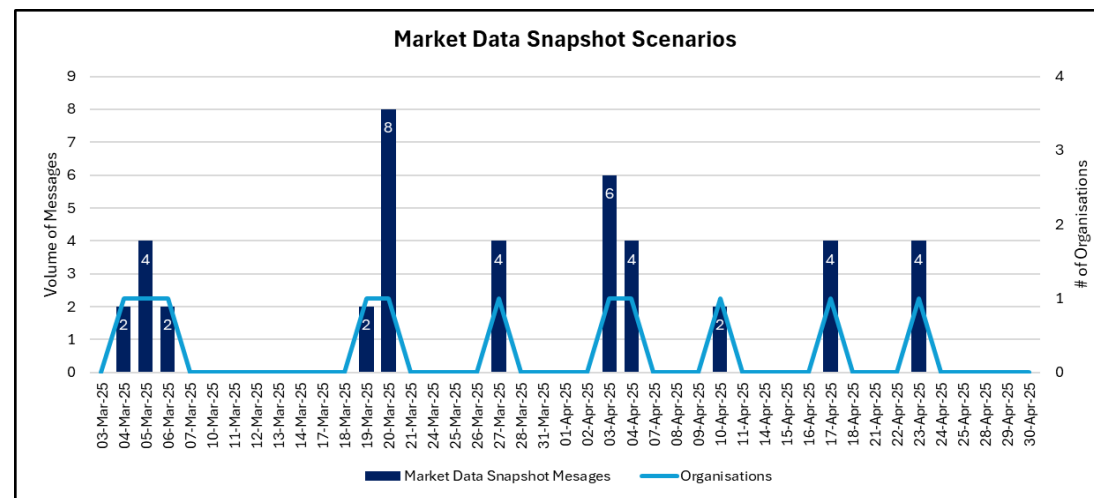
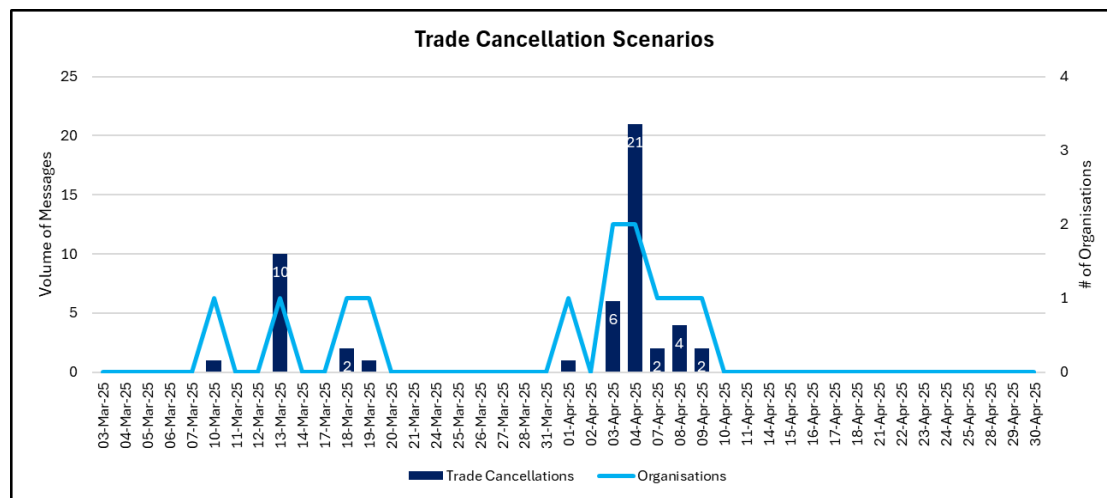
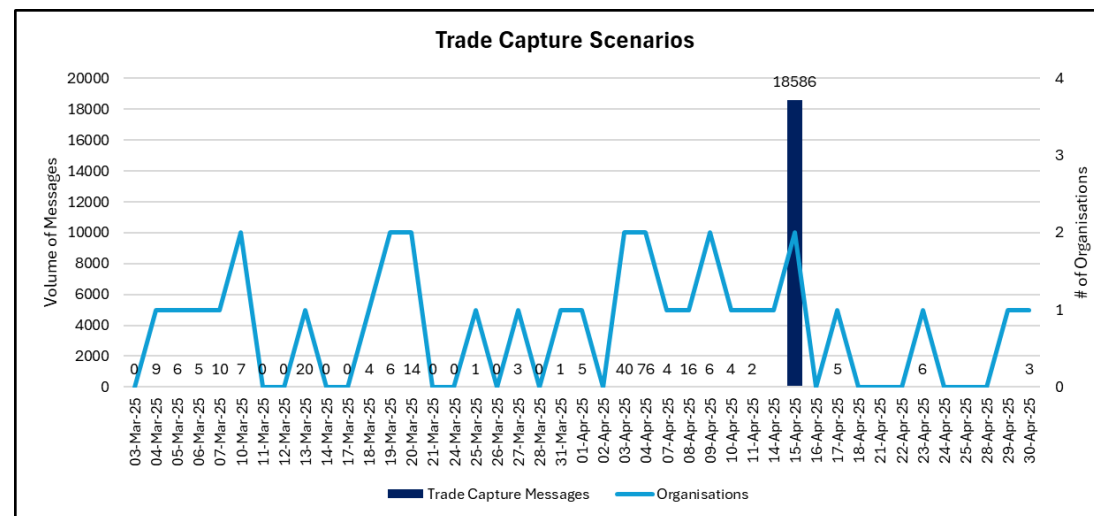
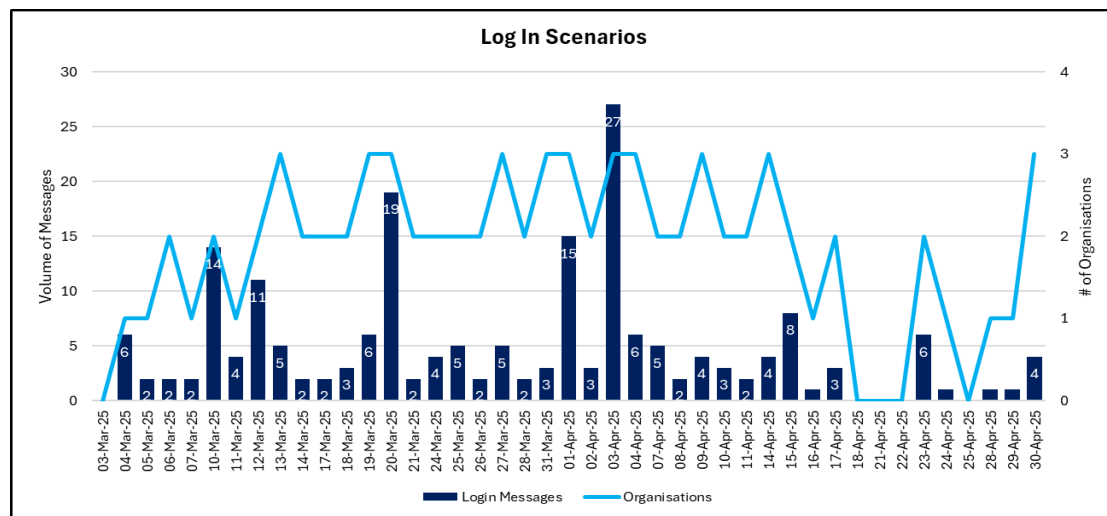
ITE Update

- The ITE environment has remained available and stable for Industry Testing throughout April
 - ITE maintenance windows on Thursday evenings where required
- AMO test activity levels in April were lower than expected but an increase on March
 - ASX plan to reach out bilaterally to organisations to see if there are any risks to completing testing on ITE open code (cases not blocked by known issues to be resolved) prior to AMO Readiness Phase commencement
- 1 case of large volume erroneous Trade Captures submitted, requiring session disconnection
- 1 new issue identified in March during AMO testing
 - CHR – 15238: FIX (W) Message requires decimal value in MDEntryPx.

AMO Build & Test	Total
Login	96
Graceful Disconnection	59
Password Changed	2
Resend Request	11
Sequence Reset	19
Trade Capture	18,766
Trade Capture Cancellation	36
Market Data Snapshot	20
Support Tickets	5

Source: ITE data is from 1 April 2025 to 30 April 2025

03 – ITE message activity since ITE open



Source: ITE data is from 28 Feb 2025 to 30 Apr 2025

04

Working Group Updates

04a

Implementation & Transition Working Group (I&T WG)

04a – Implementation & Transition Working Group Update

An Implementation & Transition Working Group was held on 29 April with a focus on CHES Release 1 industry test phases and cutover

- > Clearing Regression
 - Reviewed backward compatible EIS messages, with focus on the 7 mandatory messages
 - Noted data variances in generation of Transaction ID, Origin Transaction ID and Updating Transaction ID – field length remains unchanged
 - Discussed options to load test data
 - Clearing Participant File Upload
 - AMO Integration via FIX Gateway (subject to AMO availability and conditions)
 - Introduced Clearing Regression Test Kits and XPI support.
- > AMO Operational Readiness
 - Provided an overview of the upcoming AMO Operational Readiness Phase.
- > Cutover and Transition
 - Viewed an indicative timeline for Release 1 Cutover & Transition
 - Discussed the planning of Industry Dress Rehearsals and Parallel Test dates.

04a – Implementation & Transition Working Group Open Actions

May 2025

#	Topic	Action	Raised	Update	Status
ITWG_01	R2 Operating Rule Changes	ASX to revert with timeline and approach to rule change consultation	August 2024 ITWG	To be discussed as part of May TC agenda item 6	Open
ITWG_02	Synthetic securities for Corporate Actions during the Clearing Participant Regression Test Phase	ASX to advise how Corporate Actions testing can be facilitated	March 2025 ITWG	Discussed at April I&T WG	To be closed
ITWG_03	Integrated AMO trade flow expectations	ASX to advise how AMO integrated testing is planned to be facilitated	March 2025 ITWG	Discussed at April I&T WG	To be closed
ITWG_04	Impact of including Priming functions in the Clearing Participant Regression Test Phase	ASX to consider how to reduce impact of settlement Priming if required	March 2025 ITWG	Discussed at April I&T WG	To be closed
ITWG_05	Clearing Participant Clearing Regression survey	ASX to consider information required and advise method for collection	March 2025 ITWG	Discussed at April I&T WG	To be closed
ITWG_06	Deferred settlement approach for migration	ASX to review and advise approach to testing inflight, deferred settlements during migration	March 2025 ITWG	Update to be provided in the May I&T WG	Open
ITWG_07	Parallel Testing Engagement	ASX to consider viability to bring forward its engagement on Parallel Testing	April 2025 ITWG	Update to be provided in the May I&T WG	Open

04b

ISO Design Working Group (ISO WG)

04b – ISO Design Working Group Update

Update on 9 April ISO Design Working Group meeting

- > Messages relating to the following workflows were presented
 - TFN/ABN Notifications (acmt.003 & acmt.006)
 - Trade Registration and Netting (secl.001, secl.002, secl.004 & sese.032)
 - Settlement Instruction Cancellation (sese.020, sese.024 & sese.027)
- > All draft messages relating to Drop 1 functionality have been presented
- > Feedback window remains open in MyStandards until Friday 02 May 2025, with Working Group Members requested to additionally provide feedback on the following
 - Proposed hybrid model when communicating rejected messages (refer to slide 11 of the March 2025 presentation)
 - High-level proposal of CHES generating two Net Position Notifications (secl.004) when a Net Position is updated (refer to slides 20 & 21 of the April 2025 presentation)
 - Information Market Trades alignment with the BaNCS products and position account segregation (refer to slide 28 of the April 2025 presentation)
 - Removal of the Basis of Movement from the Trade Notification Report (secl.001) (refer to slide 28 of the April 2025 presentation)
 - TFN/ABN/Exemption Codes are proposed to be provided to Issuers at the Security level. Should this be aligned with other notifications (i.e. new holder notification) which is generated at the Issuer level?
- > Drop 2 functionality will be presented at the next ISO Design Working Group on 21 May 2025.



04c

Business Design Working Group (BD WG)

04c – Business Design Working Group – Proposed 2025 / 26 Plan

Upcoming and completed sessions

#	Session	Topic(s)	Invitees	Date	Action
13	Release 2 Drop 1 Deep Dive	Deep dive into Release 2 Drop 1 detailed business design	All	6 February 2025	Working group held. Updated spreadsheet was provided on 28 February
14	Registries Focus Group	Registries focus group on specific registry topics	Registries only	13 March 2025	Working group held.
15	Release 2 Drop 2 Deep Dive (#1)	Deep dive into Release 2 Drop 2 detailed business design (including Transaction Basis Deep Dive)	All	3 April 2025	Working group held. Feedback received for discussion in May BDWG.
16	Release 2 Drop 2 Deep Dive (#2)	Deep dive into Release 2 Drop 2 detailed business design (continued)	All	15 May 2025	Planned
17	Placeholder	Session to be confirmed	TBD	5 June 2025	To be confirmed
18	Release 2 Drop 3 Deep Dive	Deep dive into Release 2 Drop 3 detailed business design	All	10 July 2025	Planned
19	Payment Provider Focus Group	Payment provider focus group on potential changes to payment processes	Payment Providers only	7 August 2025	Planned
20	Payment Channels Deep Dive	Industry focus group on the real-time payment channel	All	4 September 2025	Planned
21	Release 2 Drop 4 Deep Dive	Deep dive into Release 2 Drop 4 changes and business design	All	9 October 2025	Planned
22	New Corporate Action Services Focus Group	Industry focus group on new corporate action services	All	6 November 2025	Planned
23	Accounts Migration Deep Dive	Deep dive into Accounts Migration approach	All	4 December 2025	Planned
24	Release 2 Drop 5 Deep Dive	Deep dive into Release 2 Drop 5 changes and business design	All	January 2026	Planned

Note: indicative order, subject to change based on industry inputs and further planning. Multiple sessions may be required per topic
Blue denotes an update since last presented

04c – Business Design Working Group – Release 2 Drop 2 Deep Dive (#1)

A Business Design Working Group session was held on 3 April to deep dive on areas of change in relation to clearing and settlement

- > Clearing
 - ASX presented a revised proposal for trade acceptance and netting that builds upon the work done in February 2024, adjusted with a view to minimising changes for T+1
 - ASX presented a recap on position accounts and how they can be used to segregate clearing and settlement flow
 - Participants provided feedback in relation to processing crossings and potential for future functionality such as give-up/take-up and clearing-only participants.
- > Settlement Instructions
 - ASX presented walkthroughs of the fields available in BaNCS and proposed matching criteria
 - Participants provided feedback on field usage and matching criteria. Feedback will be consolidated and a revised proposal will be presented at the May BDWG.
- > May BDWG – Release 2 Drop 2 Deep Dive (#2)
 - Due to issues with timing further discussions on matching tolerances and finalisation of the proposal for Foreign Restricted securities was deferred to the May BDWG
 - Settlement processes will be presented as well as a revised proposal for matching fields based on participant feedback
 - Additionally further feedback in relation to TFN & Bank Account is planned to be discussed.

04c – Business Design Working Group Actions

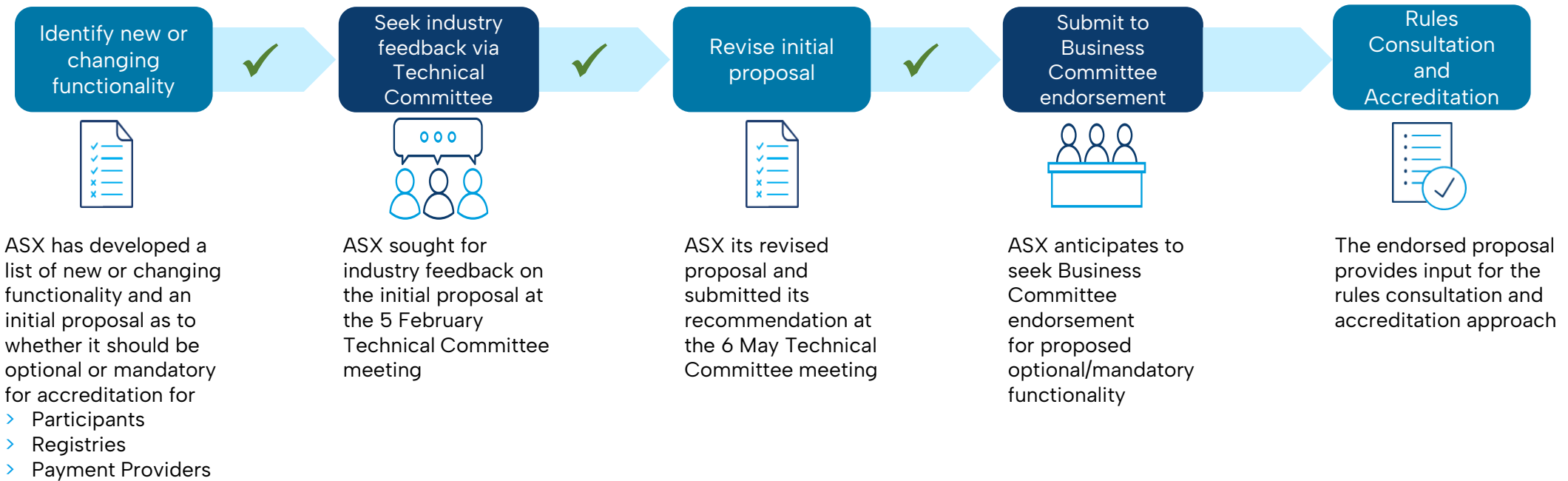
#	Action	Raised	Update	Status
BDWG_02	Consider whether there could be an ability to allow transfer of standing instructions in the case of transfer to a new HIN	February BD WG	To be considered as part of Portfolio Transfers (Drop 4)	On hold – Drop 4
BDWG_04	Consideration of which new fields can be transferred to a new participant in the case of a Change of Controlling Participant	February BD WG	To be considered as part of Change of Controlling Participant (Drop 4)	On hold – Drop 4
BDWG_05	Consider the addition of further Ownership Types (e.g. Nominee, Corporation)	February BD WG	“Nominee” Ownership Type incorporated into ISO messages.	To be closed
BDWG_06	Consider the process of migrating accounts, including transformations and fields not available in current CHES	February BD WG	Deep dive BDWG scheduled for August	On hold – December BDWG
BDWG_07	Continue evaluation of Foreign Ownership Restrictions and use of Guaranteed Foreign Transfers	February BD WG	Continued discussions with Registries in March, and Participants in April	To be discussed in May BDWG
BDWG_09	Consider the appropriate rules and privacy implications to allow the sharing of email and mobile number with Registries	February BD WG	To be considered as part of rules consultation	On hold – Rules Consultation
BDWG_10	Concerns raised in relation to limiting customisation of the BaNCS product and the impacts to the market	March BD WG	Discussed at TC on 3 April	To be closed
BDWG_11	Consideration to be given to the complexities of reserved balances and impacts on Registry processes	March BD WG	To be discussed in Drop 3 BDWG (July)	On hold – Drop 3
BDWG_12	Consideration of a revised approach for crossings and associated fee impacts	March BD WG	Proposed approach to be discussed in May BD WG	To be discussed in May BDWG

05

Optional versus Mandatory Functionality

05 – Optional or Mandatory Functionality – Indicative Process

Indicative process to determine whether functionality for the CHES project will be optional or mandatory



ASX is recommending its revised proposal on the optional or mandatory nature of functionality. The recommendation presented today will be provisioned to the Business Committee for endorsement to the boards of ASX Clear and ASX Settlement. The revised proposal is based on current message construct used for documented workflows and takes into consideration the industry feedback received by 25 April 2025.

05 – Revised proposal feedback

Overview of industry feedback on the revised proposal

Type	Ref.	Feature for Accreditation	Feedback Summary	ASX Response
Changes to Core Functionality	1.1	Registration Detail and Investor Information	One member advised that preference is to store the ABN on the HIN.	Due to concerns raised in the February ISO Design WG, ABN will remain pass through
	1.2		Another member advised that due to low frequency/volume, preference is to leverage the CHES UI	
	1.4	Issuer Sponsored Improvements	One member advised of the low frequency/volume and combability with end-to-end workflow and potential to leverage CHES UI, and that further review was required. Another member noted the minimal benefits and complexity of issuer sponsored movements	Details will be discussed along side Drop 3 functionality. CHES UI may be an option
	2.3	Standing instructions – payment limits (or alternative forms of automation)	A member advised that pre-approved limits should not be mandatory	Proposal adjusted to include other forms of automation, which is expected to be mandatory as a pre-requisite for T+1
	4.1	Changes to netting process – continuous netting	A member advised that further engagement is required on the business design	Feedback noted
	4.2	Changes to the settlement process	A member advised that changes to the settlement process should be optional as it increases complexity with minimal benefit. Another member advised that review of the final business design was required	Feedback noted
	4.5	Non batch DvP bilateral settlement	Three members advised that non-batch DvP should be optional. A member requested for this functionality to be mandatory if it was not implemented at go-live	Further industry discussion required. ASX proposes this is either mandatory or removed from scope
	5.2	House/client segregation	A member advised that both options should be mandatory	Per Consultation Paper 2 in November 2024, this will remain optional
	5.4	Cum entitlement balance simplification	A member advised that implementing this change will require substantial development and rigorous testing to ensure successful implementation	Feedback noted
	-	Portfolio Transfers	A member advised that this functionality represents new development for Participants and should be scheduled for activation post go-live. Another member advised that further engagement is required	Feedback noted

05 – Revised proposal feedback

Overview of industry feedback on the revised proposal

Type	Ref.	Feature for Accreditation	Feedback Summary	ASX Response
Functionality to enhance existing workflows	2.1	Bilateral matching improvements – hold/release	A member advised hold and release information is not a matching requirement for settlement and requested that this should be optional. Another member advised this should be optional as it increases complexity	ASX notes that hold/release is both core to the flow and has bilateral impacts so it is not possible to be optional for accreditation. It will be optional for use
	2.2	Bilateral matching improvements – additional matching criteria	A member advised that additional supplementary fields for pre-matching increase the likelihood of unmatched instructions and should be optional	Feedback noted
	4.3	Linking bilateral settlements	Three members requested for this functionality to be optional	Revised to optional
	4.4	Settlement lock for CHES holdings	Three members advised the low take up and/or complexity of this functionality. Another member advised that some elements of this functionality should be mandatory	ASX anticipates this functionality will be required to facilitate transfers from accumulation to settlement. This will be discussed in the May BDWG

05 – Revised proposal feedback

Overview of industry feedback on the revised proposal

Type	Ref.	Feature for Accreditation	Feedback Summary	ASX Response
Functionality for additional services and reporting	1.3	SRN enquiry & validation	A member advised of their preference to leverage the CHESS UI due to low frequency/volume with the associated workflow	Feedback noted
	1.6	Continuous holding balance API	A member required a holding movement report for all holdings that have increased from zero	Feedback noted. Report is in scope as discussed in the February BDWG. To be discussed further in Drop 3 BDWG
	3.2	Corporate action election and acceptance processing – DRP/BSP	A member preferred for this functionality to be mandatory	This will remain optional for participants as it doesn't apply to all participant types (e.g. retail)
	3.3	Corporate action election and acceptance processing – Rights/SPPs	One member requested for this functionality to be mandatory for Settlement Participants and Registries and another member requested for this to be mandatory for all Participants at go-live. One member advised of the significant resources required to enable successful implementation	This will remain optional for participants as it doesn't apply to all participant types (e.g. retail) Further engagement is required with Registries
	3.5	Electronic notification of payment advice – cash	A member requested for this functionality to be mandatory at go-live	Not in scope per Consultation Paper 2 in November 2024
	4.1	Changes to netting process – optional NNDP report	A member advised that this functionality should be mandatory. Another member advised that further engagement is required on the business design of the clearing and setting process	Revised to mandatory based on detailed design as discussed in April BDWG and ISOWG.
	–	UI	A member requested for additional information on the UI prior to making a decision	Feedback noted

05 – Revised proposal for recommendation

Core clearing and settlement functionality (1 of 2)

Ref.	Feature for Accreditation	C&S Participant Accreditation	Settlement Only Participant Accreditation	Payment Provider Accreditation	Registry Accreditation	Proposed Implementation
1.1						
	Registration details & investor information	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1c	At go-live
1.2						
1.4	Issuer sponsored improvements	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1a	At go-live
1.5	ETF creations & redemptions	Mandatory – 1a (as applicable)	Mandatory – 1a (as applicable)	N/A	Mandatory – 1a	At go-live
2.6	Settlement improvements – participant group	Mandatory – 1a (Account Participants only)	N/A	N/A	N/A	At go-live
3.6	Corporate actions – bank account information (for takeovers)	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1a	At go-live
3.8	Corporate actions – sub-register state	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1a	At go-live
4.1	Changes to netting process – continuous netting	Mandatory – 1a	N/A	N/A	N/A	At go-live

05 – Revised proposal for recommendation

Core clearing and settlement functionality (2 of 2)

Ref.	Feature for Accreditation	C&S Participant Accreditation	Settlement Only Participant Accreditation	Payment Provider Accreditation	Registry Accreditation	Proposed Implementation
4.2	Changes to settlement process	Mandatory – 1a	Mandatory – 1a	N/A	N/A	At go-live
5.2	House/client segregation	At least one position accounts is mandatory – 1a Segregation of client positions is optional	N/A	N/A	N/A	At go-live or post go-live
5.4	Cum entitlement balance simplification	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1a	At go-live
–	Portfolio transfers (new)	Mandatory – 1c	Mandatory – 1c	N/A	N/A	At go-live
2.3	Standing instructions – payment limits (or alternative forms of automation)	N/A	N/A	Mandatory – 1d	N/A	At go-live
2.8	Payments – non-batch (new)	N/A	N/A	Mandatory – 1d	N/A	At go-live
4.5	Non batch DvP bilateral settlement (new)	Mandatory – 1d Further discussion required	Mandatory – 1d Further discussion required	N/A	N/A	Build & test phase, go-live shortly after

BOLD denotes an update since last presented

05 – Revised proposal for recommendation

Functionality to enhance existing workflows

Ref.	Feature for Accreditation	C&S Participant Accreditation	Settlement Only Participant Accreditation	Payment Provider Accreditation	Registry Accreditation	Proposed Implementation
2.1	Bilateral matching improvements – hold/release	Mandatory – 1b	Mandatory – 1c	N/A	N/A	At go-live – explore opportunities to mitigate any risk on Day 1
2.2	Bilateral matching improvements – additional matching criteria	Field dependent – 1a and 2	Field dependent – 1a and 2	N/A	N/A	At go-live
3.1	Electronic dividend claims – diary adjustment improvements	Mandatory – 1a	Mandatory – 1a	N/A	N/A	At go-live
3.5	Electronic notification of payment advice – securities	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1a	At go-live
3.7	Corporate actions – holding adjustments (additional reason codes)	Mandatory – 1a	Mandatory – 1a	N/A	Mandatory – 1a	At go-live
3.10	Bid offeror automation	N/A	N/A	N/A	Mandatory – 1a	At go-live
4.3	Linking bilateral settlements	Mandatory – 1b Optional	Mandatory – 1b Optional	N/A	N/A	At go-live – explore opportunities to mitigate any risk on Day 1
4.4	Settlement lock for CHESS holdings	Mandatory – 1a	Optional	N/A	N/A	At go-live – explore opportunities to mitigate any risk on Day 1

BOLD denotes an update since last presented

05 – Revised proposal for recommendation

Functionality for additional services or reporting

Ref.	Feature for Accreditation	C&S Participant Accreditation	Settlement Only Participant Accreditation	Payment Provider Accreditation	Registry Accreditation	Proposed Implementation
–	UI	Optional	Optional	Optional	Optional	At go-live
1.1	Registration details and investor information – Additional data: tax information: pass through	Optional	Optional	N/A	Mandatory – 1c	At go-live
1.3	SRN enquiry & validation	Mandatory (with exemption)	Mandatory (with exemption)	N/A	Mandatory – 1a	At go-live
1.6	Continuous holding balance API	Optional	Optional	N/A	Optional	At go-live
1.7	Registry HIN validation – enquire for IPOs/cancelled HINs	N/A	N/A	N/A	TBD	At go-live
3.2	Corporate action election and acceptance processing – DRP/BSP	Optional	Optional	N/A	Further engagement required	Build & test, then phased go-live
3.3	Corporate action election and acceptance processing – Rights/SPPs	Optional	Optional	N/A	Further engagement required	Build & test, then phased go-live
5.3	Interoperability	N/A	N/A	N/A	N/A	ASX internal
2.4	Preliminary payment notifications	Optional	Optional	Optional	N/A	At go-live
4.1	Changes to netting process – optional NNDP position report	Optional Mandatory	N/A	N/A	N/A	At go-live
3.5	Electronic notification of payment advice – cash	N/A	N/A	N/A	N/A	Post Release 2

06

CHESS Release 2 Operating Rules

06 – Release 2 Operating Rules Changes – Update

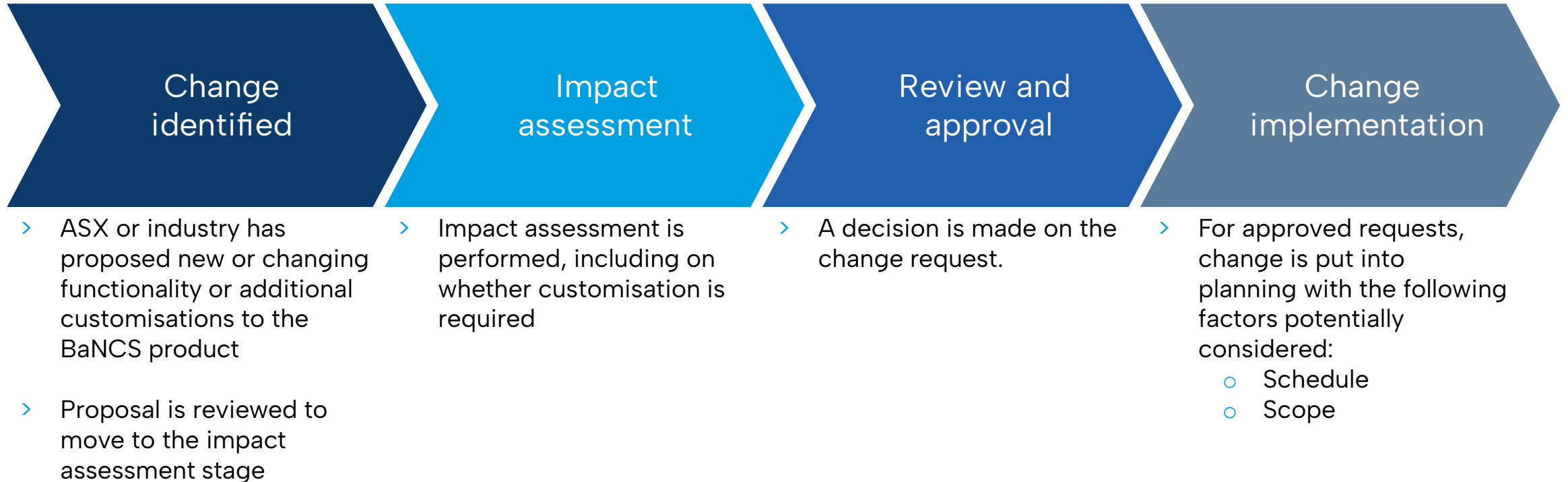
- > The legal arrangements are being amended to reflect the CHES Project system technical build
- > Aim to minimise changes to existing Rules and Procedures
- > Plan is to consult on all Rule Changes relevant to Release 2 in a single consultation process – in line with the Release 1 Rules and Procedures consultation but will work in parallel with the Release 2 roadmap to develop the rule changes as each drop is finalised. Noting: the previous iteration of the CHES Project consulted in three tranches
- > Consultation will use material consulted on in previous iteration of the CHES Project, where relevant and appropriate
- > ASX is planning for the Release 2 Rules consultation to commence some time in Q2 2027 for a period of 3 months (typically 6 weeks is standard). ASX is continuing to refine the Release 2 rules timeline and plans to provide an update later in Q2 2025
- > Any members that wish to receive a copy of the Subscriber Technical Access Agreement (STAA) should request one. ASX anticipates the Release 2 STAA will be in a similar form to the standard STAA, subject to any necessary amendments
- > ASX is planning for the relationship between the legal (Rules, UTD) and business (APGs) documents to remain the same as it is in existing CHES.

07

Change Control Management

07 – Change Control Management

Indicative process to manage change control



Change decisions relating to schedule or scope may require change control management

07 – Overview of Change Requests

May 2025 – Summary of change requests

ID	Item	Type	Detail	Status
CR_001	Account Notifications to Registries	Additional customization	BaNCS does not currently support the ability to provide account information to share registries in real-time for balances increasing from zero. New customisation is required to facilitate this process	In impact assessment

08

Forward Engagement for 2025

08 – Indicative Forward Engagement Calendar (Rolling 3 Months)

	May 2025	June 2025	July 2025
Technical Committee	6 May <ul style="list-style-type: none"> > Release 1 and Release 2 project update > Release 1 Industry Testing update > April Working Group updates > Optional versus mandatory functionality recommendation > Change Control Management > Release 2 Operating Rule Changes 	4 June <ul style="list-style-type: none"> > Release 1 and Release 2 project update > Release 1 Industry Testing update > May Working Group updates > CHES Project support model 	9 July <ul style="list-style-type: none"> > Release 1 and Release 2 project update > Release 1 Industry Testing update > June Working Group updates
Implementation & Transition Working Group	27 May <ul style="list-style-type: none"> > Release 1 Clearing Regression and Cutover 	26 June <ul style="list-style-type: none"> > Release 1 Cutover > Release 2 Drop 1 Industry Test Tooling 	29 July <ul style="list-style-type: none"> > Release 1 Parallel Test Overview
Release 1 Build & Test Forum	14 May <ul style="list-style-type: none"> > Build and Test update > Readiness tracking > Accreditation and Operational Readiness > Clearing Regression and Cutover > Condition Codes 	12 June <ul style="list-style-type: none"> > Build and Test update > Readiness tracking > Industry test phases 	17 July <ul style="list-style-type: none"> > Build and Test update > Readiness tracking > Industry test phases
Business Design Working Group	15 May <ul style="list-style-type: none"> > Release 2 Drop 2 Deep Dive 	5 June <ul style="list-style-type: none"> > Session to be confirmed 	10 July <ul style="list-style-type: none"> > Release 2 Drop 3 Deep dive
ISO Design Working Group	21 May <ul style="list-style-type: none"> > Release 2 Drop 2 ISO messages and Schema 	19 June <ul style="list-style-type: none"> > Release 2 Drop 2 ISO messages and Schema 	24 July <ul style="list-style-type: none"> > Release 2 Drop 2 and Drop 3 ISO messages and Schema

08 – Indicative Committee Schedule

CY2025 Indicative Committee Schedule

Month	Date	Time
Technical Committee		
May meeting	Tuesday 6 May	2pm – 4pm
June meeting	Wednesday 4 June	2pm – 4pm
July meeting	Wednesday 9 July	2pm – 4pm
August meeting	Wednesday 6 August	2pm – 4pm
September meeting	Wednesday 3 September	2pm – 4pm
October meeting	Wednesday 8 October	2pm – 4pm
November meeting	Wednesday 5 November	3pm – 5pm
December meeting	Wednesday 3 December	2pm – 4pm

Month	Date	Time
Business Committee		
June meeting	Wednesday 18 June	12pm–2pm
September meeting	Wednesday 17 September	12pm–2pm
December meeting	Wednesday 10 December	4pm–6pm

Pulse Survey Update

- > Feedback will be requested on the Technical Committee and its working groups
- > The survey will be open until 16 May 2025. A reminder will be shared the week the survey is due.



Questions

Observer Feedback

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Thank you.

Appendix A – Readiness Activities

Appendix A – Release 1 Engagement Activities: Proposed 2025 Plan

Activities and Documentation to Support R1 Industry Readiness

Activity	Subject	Purpose	Planned Date	Status
Publish Documentation	Release 1 Industry Test Approach	Documentation describing the detailed industry test approach and expected activities of each involved party, as well as timing, entry and exit criteria and expected test outcomes of all Release 1 industry test phases	Q3 2024	Published 6 Sep 2024
Publish Documentation	Release 1 FIX Specifications	Documentation providing a detailed specification of all FIX messages, including message structures, rules, and message flow diagrams. Market-relevant specifications will be published in iterations as ASX analyses and completes designs for each drop	Q4 2024	Published 14 Nov 2024
Publish Documentation	Release 1 Connectivity Guide	Documentation detailing the technical connectivity requirements to connect to the CHES replacement system, including connectivity method(s), network details and security details	Q4 2024	Published 17 Dec 2024
Engagement Activity	Release 1 ITE Open overview, including Industry Testing Activity and Progress Tracking	I&T WG session to provide overview of the opening of ITE, and discuss ASX proposed approach to tracking and reporting test phase activity	Q1 2025	Completed 27 Feb 2025
Publish Documentation	Release 1 AMO Accreditation Guide	Documentation providing detail on the CHES replacement AMO Accreditation phase, expectations regarding conduct and expected results including the Accreditation process, connectivity, and message scenarios	Q1 2025	Published March 31 2025
Engagement Activity	Release 1 Operational Readiness Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing the Operational Readiness phase	Q2 2025	Scheduled 29 April 2025
Engagement Activity	Release 1 Clearing Regression Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing the Clearing Regression phase	Q2 2025	Scheduled 29 April 2025 & 27 May 2025
Engagement Activity	Release 1 Cutover Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing Release 1 cutover activities	Q2 2025	Scheduled 27 May 2025
Publish Documentation	Release 1 Clearing Regression Test Guide	Documentation detailing the minimum ASX-specified Clearing Regression test scenarios, key activities and expectations regarding conduct and expected results including entry and exit criteria	Q2 2025	Proposed for June 2025
Publish Documentation	Release 1 Guide to Operational Readiness Phase	Documentation detailing the Operational Readiness scenarios including mandatory success criteria	Q2 2025	Proposed for May 2025
Publish Documentation	Release 1 Cutover and Migration Approach	Documentation detailing the cutover and migration approach, key activities, responsibilities including all verifications and validations required by ASX and the market, and milestones across the cutover and dress rehearsal windows	Q2 2025	Proposed for June 2025
Engagement Activity	AMO Parallel Phase Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing the Parallel Test phase	Q3 2025	
Publish Documentation	Release 1 Guide to AMO Parallel Test	Documentation providing detail on the Parallel Test phase, key activities and expectations and expected results including entry and exit criteria	Q3 2025	
Publish Documentation	R1 Cutover Runbook	Documentation providing AMOs with key tasks and milestones, with an outline of detailed steps including planned timing. The runbook will be used in dress rehearsals and refined as required ahead of the final go-live event. Note that the cutover runbook will also include the steps required to rollback	Q3 2025	

Note: Indicative only, subject to change based on industry inputs and further planning.

Key

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Appendix A – Release 2 Readiness Activities: Proposed 2025 / 26 Plan

Activities and Documentation to Support R2 Industry Readiness

Activity Planned	Subject	Purpose	Planned Date
Engagement Activity	Release 2 Industry Test Tooling High Level Approach	I&T Working Group (I&T WG) workshop providing an overview of ASX planned approach to test environments, data, and tooling to enable CHES User testing in Release 2, and discuss/identify unmet industry needs or challenges for additional consideration	Completed 27 Mar 2025
Engagement Activity	ISO20022 and Business Design Working Groups	Workshops to obtain industry input and feedback into the design of Release 2 ISO messages and specified CHES functionality	Q4 2024 – Q2 2026
Engagement Activity	Release 2 Industry Test Tooling Focus Groups	I&T WG workshops to walk through Release 2 message initiation and response testing once ISO specifications and message workflows drafted. Schedule will incrementally follow collation of industry feedback to Drop 1 – 5 documentation	Q2 2025 – Q3 2026
Publish Documentation	ISO20022 Specifications & Functional & Technical Specs	Documentation providing a detailed specification of all ISO messages including message structures, rules message flow diagrams., and tooling to support testing ASX will target release this documentation incrementally in line with the 5 feature drops	Q3 2025 – Q3 2026
Engagement Activity	Phase High Level Approach 1- Release 2 Parallel Test	I&T WG session providing high level overview of Release 2 Parallel Test Approach, to discuss/identify unmet industry needs for additional consideration	Q3 2025
Engagement Activity	Guide Overview 1- Release 2 Industry Test Approach	I&T WG session providing overview of draft Release 2 Industry Test Approach, to inform industry and obtain feedback prior to publishing	Q3 2025
Publish Documentation	Release 2 Industry Test Approach	Documentation describing the approach, responsibilities, timing, entry and exit criteria and expected outcomes for each Industry Test phase	Q3 2025
Publish Documentation	Release 2 Connectivity Guide	Documentation detailing the technical connectivity requirements to connect to the CHES replacement system including connectivity method(s), network details and security details	Q4 2025
Engagement Activity	Phase High Level Approach 2- Release 2 Cutover & Rollback	I&T WG session providing high level overview of Release 2 Cutover & Rollback Approach, to discuss/identify unmet industry needs for additional consideration	Q3 2025
Engagement Activity	Release 2 Timeline Checkpoint 1	Gauge industry progress and obtain industry feedback to ascertain its ability to continue meeting the Release 2 project timeline following the release of the Industry Test Approach and initial Functional & Technical Specifications	Q4 2025
Engagement Activity	Activity and Progress Tracking Overview	I&T WG session to provide overview and discuss ASX proposed approach to tracking and reporting test phase activity	Q1 2026
Engagement Activity	Phase Overview 1- ITE Open	I&T WG session to provide overview & discuss the prerequisites + process for completing the Software Provider B&T Phase	Q1 2026
Engagement Activity	Guide Overview 2- Release 2 Connectivity Guide	I&T WG session providing overview of draft Release 2 Connectivity guide and process	Q1 2026
Engagement Activity	Guide Overview 3- Release 2 Failover & Recovery Guide	I&T WG session providing overview of draft Failover & Recovery guide, to inform industry and obtain feedback prior to publishing	Q3 2026
Publish Documentation	Release 2 Failover and Recovery Guide	Documentation providing information on failover testing, covering what components ASX will simulated-fail and proposed frequencies.	Q3 2026
Engagement Activity	Release 2 Timeline Checkpoint 2	Gauge industry progress and obtain industry feedback to ascertain its ability to continue meeting the Release 2 project timeline following the release of all Functional & Technical Specifications. Identify and incorporate agreed industry requirements into CHES User test phases schedule	Q4 2026
Engagement Activity	Guide Overview 4- Release 2 Accreditation Guide	I&T WG session providing overview of draft Release 2 Accreditation Guide, to inform industry and obtain feedback prior to publishing	Q4 2026
Publish Documentation	Release 2 AMO Accreditation Guide	Documentation providing overview of the Release 2 Accreditation phase, including accreditation process, connectivity scenarios & message scenarios	Q4 2026

Note: Indicative only, subject to change based on industry inputs and further planning.

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Appendix A – Release 2 Readiness Activities: Proposed 2027 / 28 Plan

Activities and Documentation to Support R2 Industry Readiness

Activity	Subject	Purpose	Planned Date
Engagement Activity	Phase Overview 2 – Software Provider Readiness	I&T WG session to provide overview and discuss the prerequisites and process for completing the Software Provider Readiness Phase	Q1 2027
Engagement Activity	Guide Overview 5 – Release 2 Operational Readiness Guide	I&T WG session providing overview of draft Release 2 Operational Readiness Guide, to inform industry and obtain feedback prior to publishing	Q2–Q3 2027
Publish Documentation	Release 2 Guide to Operational Readiness Phase	Documentation outlining the Operational Readiness scenarios including mandatory success criteria	Q3 2027
Engagement Activity	Phase Overview 3 – Release 2 Inflight Migration	I&T WG session to provide overview and discuss the approach to the Inflight Migration testing phase	Q3 2027
Engagement Activity	Phase Overview 4 – Release 2 Software Provider Accreditation	I&T WG session to provide overview and discuss the approach to the Software Accreditation phase	Q3 2027
Engagement Activity	Phase Overview 5 – Release 2 CHERS User Readiness	I&T WG session to provide overview and discuss the approach to the CHERS User Readiness phase	Q3 2027
Engagement Activity	Guide Overview 6 – Release 2 Parallel Test	I&T WG session to provide overview of draft Release 2 Parallel Test Guide, to inform industry and obtain feedback prior to publishing	Q3 2027
Publish Documentation	Release 2 Guide to Parallel Test	Documentation providing details of key activities and expectations regarding test and scope boundaries, expected results including entry and exit criteria	Q4 2027
Engagement Activity	Guide Overview 7– Release 2 Cutover & Migration Approach	I&T WG session to provide overview of draft Cutover and Migration Approach, to inform industry and obtain feedback prior to publishing	Q4 2027
Publish Documentation	Release 2 Cutover and Migration Approach	Documentation detailing the cutover and migration approach, key activities and responsibilities	Q4 2027
Engagement Activity	Cutover Date Focus Group	I&T WG session to identify the appropriate weekend/month that has broad industry support, to schedule Primary and Secondary cutover dates in 2029	Q4 2027
Engagement Activity	Guide Overview 8– Release 2 Guide to Industry Wide Testing	I&T WG session providing overview of draft Guide to Industry Wide Testing to inform industry and obtain feedback prior to publishing	Q1–Q2 2028
Publish Documentation	Release 2 Guide to Industry Wide Testing	Documentation providing an overview of the Release 2 Industry Wide Test phase, detailing key activities, expected behaviours, scope boundaries, and expected outcomes including entry and exit criteria	Q2 2028
Engagement Activity	Guide Overview 9– Release 2 Cutover Runbook	I&T WG session providing overview of draft Cutover Runbook to inform industry and obtain feedback prior to publishing	Q1–Q2 2028
Engagement Activity	Phase Overview 6– Release 2 Operational Readiness	I&T WG session to provide an overview and discuss the approach to the Operational Readiness phase	Q2 2028
Engagement Activity	Phase Overview 7– Release 2 Industry Wide Testing	I&T WG session to provide an overview and discuss the approach to the Industry Wide Testing phase	Q3 2028
Publish Documentation	Release 2 Cutover Runbook	Documentation providing CHERS Users with detail on the tasks, milestones and steps associated with cutover, including planned timing. The runbook will be used in dress rehearsals and refined as required ahead of the final go-live event. Note that this document will also include the steps required to backout	Q2 2028
Engagement Activity	Phase Overview 8 – Release 2 Implementation Dress Rehearsals	I&T WG session to provide an overview and discuss the approach to Implementation Dress Rehearsal phase	Q3–Q4 2028
Engagement Activity	Phase Overview 9 – Release 2 Parallel Test	I&T WG session to provide an overview and discuss the approach to Parallel Test phase	Q3–Q4 2028
Engagement Activity	Go/No-Go and Rollback Decision Focus Group	I&T WG session to identify the appropriate decision framework that has broad industry support that will be employed during cutover activities	Q4 2028

Note: Indicative only, subject to change based on industry inputs and further planning.

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